Fiscal Estimate - 2013 Session

×	Original		Updated		Corrected		Supplemental
LRB	Number	13-0659/1		Intro	duction Nun	nber A	B-0095
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Agency	//Prepared B	у	Auth	orized \$	Signature		Date
DOR/ B	radley Caruth	n (608) 261-89	84 John	Koskine	en (608) 267-89	73	4/1/2013

Fiscal Estimate Narratives DOR 4/1/2013

LRB Number	13-0659/1	Introduction Number	AB-0095	Estimate Type	Original			
Description Adopting federal law as it relates to an income tax deduction for certain educators and creating an individual income tax deduction for educators who use their own funds to purchase classroom educational supplies								

Assumptions Used in Arriving at Fiscal Estimate

Current federal law allows a deduction from gross income for up to \$250 of qualified expenses paid by an eligible educator through tax year 2013. Since the Wisconsin definition of the Internal Revenue Code does not allow the deduction for purposes of calculating Wisconsin state income tax, claimants will need to add this deduction back for Wisconsin purposes for tax year 2013.

The bill creates a Wisconsin individual income tax deduction, effective beginning in tax year 2013, for an amount of up to \$250 that is paid by a classroom teacher for educational materials or supplies for use in a public or private school. The Wisconsin deduction does not apply for years in which the federal deduction is allowable.

Based on a simulation using 2011 individual income tax returns, it is estimated that the bill will reduce revenue by \$1.2 million annually beginning in fiscal year 2014.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2013 Session

Detailed Estimate of Annual Fiscal Effect

		Up	dated		Corrected		Supplemental		
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DOR/ Bradley Caruth (608) 261-8984 Jol			nn Koskine	en (608) 267-89	4/1/2013				